

So Ordered.



Frederick P. Corbit

Frederick P. Corbit
Bankruptcy Judge

Dated: February 14th, 2014

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF WASHINGTON

In re:

LLS AMERICA, LLC,

Debtor.

BRUCE P. KRIEGMAN, solely in his
capacity as court-appointed Chapter 11
Trustee for LLS America, LLC,

Plaintiff,

vs.

PHYLLIS BLEA, et al.,

Defendants.

DC Case No. CV-11-365-RMP

Case No. 09-06194-FPC11

Adversary No. 11-80294-FPC11

REPORT AND RECOMMENDATION
RE: DEFAULT JUDGMENT
AGAINST DEFENDANT REBECCA
PIATT

The Honorable Frederick P. Corbit, sitting in the United States Bankruptcy Court for the Eastern District of Washington, hereby files this Report and Recommendation regarding plaintiff's Motion for Entry of Default Judgment Against Defendant Rebecca Piatt (ECF No. 371) filed with the bankruptcy court in this adversary proceeding.

1 This Report and Recommendation is made pursuant to the Honorable Rosanna
2 Malouf Peterson's Order Granting Joinder and Withdraw of Reference and Referring
3 Back to Bankruptcy Court for Further Proceedings entered on April 25, 2012 (ECF
4 No. 28) in district court case number CV-11-365-RMP.

5 The recommendation is that plaintiff's Motion for Entry of Default Judgment
6 Against Defendant Rebecca Piatt (ECF No. 371) be granted and the attached Default
7 Judgment be entered in this adversary proceeding. The basis for this recommendation
8 is that an Order of Default Against Defendant Rebecca Piatt was entered in the
9 bankruptcy court on December 20, 2013 (ECF No. 365).

10 ///END OF REPORT AND RECOMMENDATION///
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Shelley N. Ripley, WSBA No. 28901
Daniel J. Gibbons, WSBA No. 33036
WITHERSPOON • KELLEY
422 W. Riverside, Suite 1100
Spokane, WA 99201
Telephone: (509) 624-5265; Facsimile: (509) 458-2717
Attorneys to Bruce P. Kriegman, Chapter 11 Trustee

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WASHINGTON

In Re:

LLS AMERICA, LLC,

Debtor.

BRUCE P. KRIEGMAN, solely in his
capacity as court-appointed Chapter 11
Trustee for LLS America LLC,

Plaintiff,

v.

PHYLLIS BLEA, et al.,

Defendants.

US District Case No. 11-CV-365-RMP

Bankruptcy No. 09-06194-FPC11

Adversary No. 11-80294

DEFAULT JUDGMENT

JUDGMENT SUMMARY

1. Judgment Creditor: Bruce P. Kriegman, Liquidating Trustee for
LLS America, LLC, as consolidated
2. Attorneys for Judgment
Creditor: Witherspoon Kelley

DEFAULT JUDGMENT- 1

{S0853330; 1 }



WITHERSPOON • KELLEY

Attorneys & Counselors

422 W. Riverside Avenue, Suite 1100 Phone: 509.624.5265
Spokane, Washington 99201-0300 Fax: 509.458.2728

3. Judgment Debtor: Rebecca Piatt
4. Attorneys for Judgment Debtors: Pro Se
5. Judgment Amount (Principal): \$ 19,350.35 USD
6. Interest Rate on Judgment: .11% (28 USC § 1961)

The United States Bankruptcy Court for the Eastern District of Washington having previously entered an Order of Default against Defendant Rebecca Piatt (Adv. Doc. No. 365), and having reviewed the previously filed Memorandum of Authorities (Adv. Doc. No.359), and the Affidavits of Curtis Frye and Shelley Ripley in Support of Plaintiff's Motion for Default Judgment filed herewith, and being fully advised in the premises,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that the Plaintiff, Bruce P. Kriegman, solely in his capacity as court-appointed Chapter 11 Trustee for LLS America, LLC, shall have a judgment against the Defendant Rebecca Piatt as follows:

1. Monetary Judgment in the amount of \$19,100.35 USD, pursuant to 11 U.S.C. § 550 and RCW 19.40.071;

2. Transfers in the amount of \$19,100.35 USD made to Defendant Rebecca Piatt within four years prior to the Petition Filing Date are hereby avoided and Plaintiff may take all necessary action to preserve the same, pursuant



1 to 11 U.S.C. §§ 544, 550, 551 and 548(a) and (b) and RCW 19.40.041(1) and (2)
2 and RCW 19.40.071;

3 3. All said transfers to Defendant Rebecca Piatt are hereby set aside and
4 Plaintiff shall be entitled to recover the same, or the value thereof, from
5 Defendant Rebecca Piatt for the benefit of the estate of LLS America, pursuant to
6 11 U.S.C. §§ 544, 550 and 551;
7

8 4. All proofs of claim of the Defendant which have been filed or
9 brought or which may hereafter be filed or brought by, on behalf of, or for the
10 benefit of Defendant Rebecca Piatt or her affiliated entities, against the Debtor's
11 estate, in this bankruptcy or related bankruptcy proceedings, are hereby
12 disallowed and subordinated to the monetary judgment granted herein and
13 Defendant Rebecca Piatt shall not be entitled to collect on her proof of claim
14 (Claim No. 481) until the monetary judgment is satisfied by Defendant Rebecca
15 Piatt in full, pursuant to 11 U.S.C. §§ 502(d), 510(c)(1) and 105(a);
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17 5. A constructive trust is hereby established over the proceeds of all
18 transfers in favor of the Trustee for the benefit of the estate of LLS America; and
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20 Plaintiff is hereby awarded costs (i.e. filing fee) in the amount of \$250.00
21 USD, for a total judgment of \$19,350.35 USD, which shall bear interest equal to
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DEFAULT JUDGMENT- 3

{S0853330; 1 }



WITHERSPOON • KELLEY

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422 W. Riverside Avenue, Suite 1100 Phone: 509.624.5265
Spokane, Washington 99201-0300 Fax: 509.458.2728

1 the weekly average of one-year constant maturity (nominal) treasury yield as
2 published by the Federal Reserve System.

3 Entered this ____ day of _____, 2014.
4
5
6

7 Honorable Rosanna Malouf Peterson

8 *Presented by:*

9 WITHERSPOON • KELLEY
10

11 s/ Shelley N. Ripley

12 Shelley N. Ripley, WSBA No. 28901

13 Daniel J. Gibbons, WSBA No. 33036

14 Attorneys for Plaintiff
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DEFAULT JUDGMENT- 4

{S0853330; 1 }



WITHERSPOON • KELLEY

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Spokane, Washington 99201-0300 Fax: 509.458.2728